



New coal mining permits surge in central Alabama, especially in Black Warrior River watershed

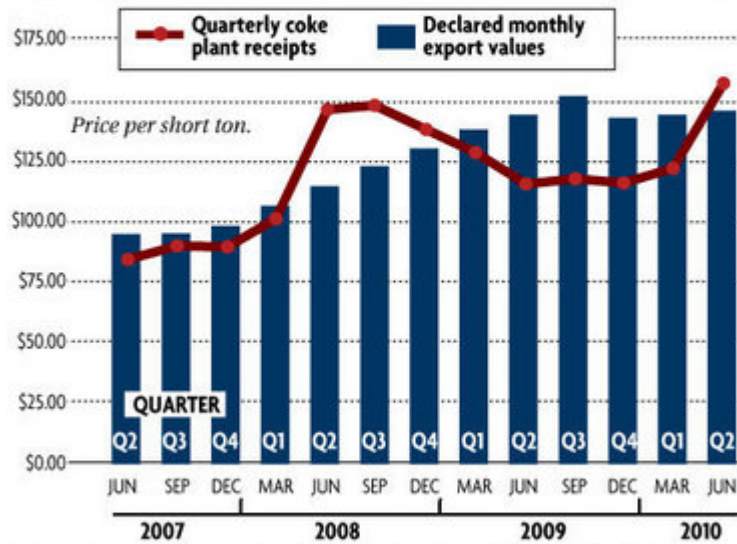
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Thomas Spencer -- The Birmingham News

RISING COAL PRICES INSPIRING RENEWED INTEREST IN ALABAMA MINING

The rising price of metallurgical coal, driven by demand from China, India and other Asian countries, has inspired increased interest in mining Alabama coal. However, new environmental regulations have delayed the issuance of permits for new mines.



Source: Energy Information Administration, Form EIA-5, "Coke Plant Report," and Bureau of the Census, U.S. Department of Commerce, "Monthly Report EM-546." Download Met Coal data files. Cart data.

NEWS STAFF

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The Alabama Department of Environmental Management has released a surge of draft permits for new and expanded strip mines, creating movement on a backlog caused by the U.S. EPA's demands for stricter scrutiny of potential water pollution from mines.

Most of the proposed mines are in the Black Warrior River watershed, a network of rivers that provide drinking water for numerous communities including Birmingham, Bessemer and Jasper.

Concerned parties -- including environmentalists, local opponents of mining operations and the Birmingham Water Works Board -- are scrambling to review and comment on the 25 proposed permits issued in November. In general, those parties are urging ADEM to follow

the Environmental Protection Agency's suggestions that would greatly expand water quality monitoring requirements.

"We want to make sure that any mining activity does not become detrimental to the river system," said Darryl Jones, BWWB's assistant general manager of operations and technical services.

New water discharge permits for surface mining had been held up for more than a year as the EPA has focused on coal mining and its effects on streams and rivers. EPA oversees national environmental policy, while ADEM carries out enforcement at the state level.

The newly proposed ADEM permits contain some of EPA's suggested measures for more extensive water quality monitoring, but in comments to ADEM on the permits, EPA is pushing for even more.

Coal companies have been frustrated by the delay. The new regulations included in ADEM's permits will increase the expense of mining, they say. The industry has opposed EPA's demands, arguing there isn't sufficient evidence that coal mining is disproportionately contributing to water pollution in Alabama.

The additional water protection ADEM has incorporated will be a major change, and additional measures EPA is suggesting are unwarranted, said Stephen Gidiere, a lawyer with Balch Bingham who represents the Alabama Coal Association.

"The coal industry is pleased that these permits are finally coming out," Gidiere said. "These additional requirements are not requirements that coal companies are happy with. If EPA wants more, they are just piling on at this point."

The wrangling over coal mine permits is taking place at a time when international demand for coal is surging.

Last year, for the first time, China imported more coal than it mined domestically, a trend that is expected to continue with major effects on the world market.

Demand from India and other Southeast Asian nations is also on the rise, particularly for metallurgical-grade coal, a higher-purity form of coal that is cooked into coke. Coke is used in the steel-making process. About two-thirds of the coal mined in Alabama is metallurgical coal.

Despite the logjam of permits, the value of Alabama coal exports is surging. By September, coal exports had already topped \$1.2 billion, surpassing several previous years' annual totals.

A change in approach

From an environmental standpoint, surface coal mining has been regulated in ways similar to large construction projects. Mining companies are required to construct ponds that capture rainwater to prevent sediment from washing into creeks and streams. The ponds are designed to allow sediment to settle out of water before it is allowed to flow off site.

EPA's new approach treats mining operations more like industrial sites, requiring testing of water discharges for a broad array of chemical and organic contaminants. The mines would have to stay within certain parameters on those chemicals.

According to Nelson Brooke of the environmental watchdog Black Warrior Riverkeeper, this step is needed because water running off a coal mine can contain mercury, lead, arsenic and dissolved heavy metals that can be toxic to aquatic life and dangerous for the drinking water supply. Additionally, coal is often treated on site with chemicals to remove impurities. Those chemicals can also wind up in the wastewater.

EPA's comments to ADEM indicated that it doesn't believe the state agency has adequate data on water quality in Alabama, without which it's impossible to determine what cumulative effect mining operations are having on the river system. For instance, in Walker County, which has the greatest number of coal mines at 46, there are no water quality monitoring stations. EPA suggests requiring the mining companies to do in-stream monitoring as a condition of their permits.

According to the Riverkeeper's staff attorney, Eva Dillard, EPA is also asking that ADEM examine each mine proposal individually, taking into account the conditions at the site and in the river rather than issuing "one-size-fits-all" permits. "It is gratifying to see EPA weighing in and asking for things we have been asking for years," Dillard said.

Dillard noted what she considers positive changes in ADEM's latest round of permits but hopes the agency adopts more of EPA's suggestions.

ADEM spokesman Scott Hughes said the agency continues to work with EPA to address concerns.

"We are confident that the recently proposed permits that are undergoing a public comment period are protective of water quality in Alabama," Hughes said. "At the end of the public comment period, we will conduct a thorough review of any comments that are submitted and make a final decision on permit issuance."

Alabama Coal Association attorney Gidiere said EPA is attempting to impose a huge new regulatory burden without sound science to justify the expense.

EPA's scrutiny of mining grew out of the controversial practice of "mountaintop removal" as it is employed in Kentucky and West Virginia, Gidiere said. Conditions here are different.

"We don't do the mountaintop removal," he said. "They are trying to apply some sketchy science."

EPA points to ADEM assessment of state water quality to argue that coal mining is a significant source of water pollution. According to Alabama's 303d list, which catalogs state water bodies with pollution problems, surface mining and abandoned mines are the second-largest source of stream impairment, accounting for 14.5 percent of the impaired stream mileage.

But Gidiere counters that it's unfair to lump together active and abandoned mines. According to Gidiere, less than 4 percent -- 2,892 miles -- of Alabama's rivers and streams are not meeting their designated uses.

Only 104 miles of rivers and streams are impaired because of active mining operations, Gidiere said, which is only 3.6 percent of all impaired waters. Meanwhile, 487 miles of rivers and streams are impaired because of abandoned mining sites, comprising 16.8 percent of all impaired waters.

Gidiere said those abandoned mines, built before modern surface mining regulations were in place, are the problem. Coal proponents say that re-mining those areas will often fix the problems the old mines left.

The scrutiny EPA is demanding is more inspired by a multi-front attack on coal from environmentalists concerned with global warming, Gidiere said, but the country is going to be dependent on coal for its energy needs for the foreseeable future.

"From my perspective, there is a serious war on coal from all angles, and it is adding to the expense of extraction," Gidiere said.

BWWB's Jones said the utility believes coal-mining operations can be properly engineered to protect water quality. The Black Warrior system can continue to be a good clean water source, but care must be taken. The Water Works draws water from the Sipsey Fork of the river just below Smith Lake dam, and from the Mulberry Fork.

The Water Works is appealing a decision to permit a mine just upstream from its Mulberry intake and has taken an active role in commenting on mine proposals throughout the watershed.

Jones said that in recent weeks, the Water Works has had to shut down its water intake on the Mulberry Fork because of what appears to be a naturally occurring phenomenon that filled the river with algae and organic matter.

The phenomenon also caused problems with the smell and taste of the Jasper water supply.

Though there's no evidence that the problems on the Mulberry Fork were related to mining, it does demonstrate the need to carefully monitor what is going into the river, Jones said. "That shows that the river system is already fragile enough naturally," he said.

"We want ADEM to do their job," Jones said. "The best way to keep stuff out of the drinking water is to keep it out of the source water."

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